

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 13-136—sHB 6355

Banks Committee

Judiciary Committee

Planning and Development Committee

AN ACT CONCERNING HOMEOWNER PROTECTION RIGHTS

SUMMARY: This act makes numerous changes in the Judicial Branch's foreclosure mediation program, including:

1. identifying the program's objectives and expanding its scope to include short sales and deeds in lieu of foreclosure as options;
2. extending the program for two years, to June 30, 2014, for foreclosure actions with return dates of July 1, 2008 through June 30, 2009;
3. establishing a premediation process and requiring the delivery and exchange of specified information during this period;
4. establishing new requirements for when to end or extend the mediation period, including requiring the mediator to file a report with the court after each mediation session indicating whether the parties will benefit from further mediation; and
5. requiring the chief court administrator to submit summaries of the mediator reports to the Banks Committee by February 14, 2014 and February 14, 2015.

The act also establishes expedited foreclosure procedures for vacant and abandoned properties.

Lastly, the act makes technical changes.

EFFECTIVE DATE: July 15, 2013

§§ 1&3 — FORECLOSURE MEDIATION PROGRAM – SCOPE, OBJECTIVES, AND DEFINITIONS

§ 3 — *Scope of the Program*

By law, the chief court administrator must, in each judicial district, establish a foreclosure mediation program in actions to foreclose mortgages on residential real property or real property owned by a religious organization.

By law, foreclosure mediation must address all issues of foreclosure, including:

1. reinstatement of the mortgage,
2. assignment of law days,
3. assignment of sale date,
4. restructuring of the mortgage debt, and
5. foreclosure by decree of sale.

The act expands the scope of foreclosure mediation to include the disposition of the property through means other than foreclosure, including short sales and

deeds in lieu of foreclosure.

By law, foreclosure mediation must be conducted by foreclosure mediators who (1) are employed by the Judicial Branch, (2) are trained in mediation and all relevant aspects of the law, (3) know about available community-based resources, and (4) know about the mortgage assistance programs. The act requires mediators to be unbiased and prohibits them from giving legal advice to any party in mediation.

§ 1 — Program Objectives

Under the act, the mediation program’s objectives include:

1. determining whether the parties can reach an agreement that will (a) avoid foreclosure by considering any loss mitigation options available through the mortgagee or (b) expedite or facilitate the foreclosure in a manner acceptable to the parties and
2. an expectation that all parties will try to reach such determination with reasonable speed and efficiency by participating in the mediation process in good faith without unreasonable and unnecessary delays.

§ 1 — Definitions

By law, “mortgagor” means: (1) the owner-occupant of one-to-four family residential real property located in Connecticut who is also the borrower under a mortgage encumbering such property, which is the primary residence of the owner-occupant, or (2) a religious organization that is the owner of real property located in Connecticut and the borrower under a mortgage encumbering such property. The act explicitly excludes from the definition of mortgagor an heir or occupying nonowner of a property encumbered by a reverse annuity mortgage.

The act defines “mortgagee” as the owner or servicer of the debt secured by a mortgage on residential real property or real property owned by a religious organization securing a loan made primarily for personal, family, religious, or household purposes that is the subject of a foreclosure action. Under prior law, a mortgagee was the original owner or the successors or assigns holding any such mortgage.

Under the act, “ability to mediate” means exhibiting a willingness, including a reasonable ability, to participate in the mediation process (1) in a manner consistent with the mediation program’s objectives and (2) in conformity with any obligations the program imposes, including:

1. a willingness and reasonable ability to respond to questions and specify or estimate when particular decisions will be made or particular information will be provided and
2. with respect to mortgagees, a reasonable familiarity with the loan file, the loss mitigation options available to the mortgagor, and the material issues raised in prior mediation sessions, which may be achieved by becoming reasonably familiar with the mediator reports.

§ 2 — CHANGES TO MEDIATION TIMELINE AND PROCESS

OLR PUBLIC ACT SUMMARY

By law, the foreclosure mediation program establishes separate timelines and requirements depending on the return date (i.e., the day by which certain action must be taken) of the foreclosure action, as follows:

1. residential foreclosures with return dates of July 1, 2008 through June 30, 2009;
2. residential foreclosures with return dates of July 1, 2009 through June 30, 2014; and
3. foreclosures of properties owned by religious organizations with return dates of October 1, 2011 through June 30, 2014.

Residential Foreclosures with Return Dates of July 1, 2008 through June 30, 2009

Under prior law, the foreclosure mediation program for foreclosure actions on residential real property with return dates from July 1, 2008 through June 30, 2009 closed June 30, 2012. With regard to such return dates, on or after July 1, 2012, (1) no foreclosure action could commence and (2) no foreclosure mediation request form could be submitted to the court. The act reopens and extends the foreclosure mediation program for foreclosure actions on residential real property with return dates from July 1, 2008 through June 30, 2009 by two years, through June 30, 2014. Therefore, the court is prohibited from accepting foreclosure mediation request forms on or after July 1, 2014 for such foreclosure actions.

By law, when a mortgagee begins an action for the foreclosure of a mortgage on residential real property with a return date from July 1, 2008 through June 30, 2009, the following process and timeline apply:

1. the mortgagee must give notice to the mortgagor of the foreclosure mediation program and, among other things, provide a foreclosure mediation request form;
2. the mortgagor may request foreclosure mediation by submitting the foreclosure mediation request form to the court and filing an appearance within 15 days after the return date for the foreclosure action; and
3. upon receipt of the foreclosure mediation request form, the court must notify each appearing party that a foreclosure mediation request form has been submitted by the mortgagor.

Prior law authorized the court to grant a mortgagor permission to submit a foreclosure mediation request form and file an appearance after the 15-day period if good cause was shown, but no foreclosure mediation request form could be submitted and no appearance could be filed more than 25 days after the return date. The act removes the 25-day limit, thus allowing the court to extend the period so long as good cause is shown.

Residential Foreclosures With Return Dates on or After July 1, 2009 and Foreclosures of Property Owned by Religious Organizations With Return Dates on or After October 1, 2011

The act makes several changes to the foreclosure mediation timeline and requirements for foreclosure actions with a return date of July 1, 2009 through June 30, 2014, for residential real property and October 1, 2011 through June 30,

2014, for real property owned by a religious organization, as follows.

Mediation Information Form. By law, when a mortgagee begins a foreclosure action on residential real property with a return date on or after July 1, 2009, or, with respect to real property owned by a religious organization, a return date on or after October 1, 2011, the mortgagee must give notice to the mortgagor of the foreclosure mediation program.

Under prior law, with respect to an action for the foreclosure of a mortgage on residential real property with a return date on or after October 1, 2011, the notice had to include a mediation information form and a notice containing contact information for Connecticut Housing Finance Authority (CHFA)-approved consumer credit counseling agencies. The act limits the use of the current mediation information form to foreclosure actions with a return date from October 1, 2011 through September 30, 2013, and establishes a new mediation information form that must be used for an action to foreclose a mortgage on residential real property with a return date on or after October 1, 2013. The new mediation information form must:

1. instruct the mortgagor on the mediation program's objectives,
2. explain the process of preliminary meetings with the mediator,
3. instruct the mortgagor to begin gathering financial documentation commonly used in foreclosure mediation, and
4. include contact information for CHFA-approved consumer counseling agencies.

The act requires the chief court administrator to design the mediation information form, in consultation with banking industry representatives and consumer advocates.

Preparation for Mediation. By law, the court must issue a foreclosure mediation notice to the mortgagor within three business days after the date the mortgagee returns the writ to the court. Under prior law, the notice had to (1) instruct the mortgagor to file the appearance and foreclosure mediation certificate forms with the court within 15 days after the return date for the foreclosure action and (2) remind the mortgagor to deliver the completed mediation information form and the accompanying documentation. The act limits this reminder to actions with a return date on or after October 1, 2011 through September 30, 2013. For actions with a return date on or after October 1, 2013, the act requires that the notice instruct the mortgagor, for purpose of premediation meetings and mediation, to begin gathering financial information commonly used in foreclosure mediation.

Under prior law, CHFA-approved housing counseling agencies could help prepare the mediation information form. The act broadens this by allowing them to help the mortgagor prepare for mediation in general.

Assignment of Case to Mediation. Prior law required the court to schedule a date for mediation and notify all appearing parties of the date when it received the mortgagor's appearance and foreclosure mediation certificate forms, provided the court confirmed the defendant in the foreclosure action was a mortgagor and the mortgagor had sent a copy of the mediation certificate form to the plaintiff.

The act instead requires that the court assign the case to mediation at this time

and notify all appearing parties of (1) the assignment and (2) an e-mail address to be used for all mediation-related communications. Under the act, the court may not assign the case to mediation if the appearance and foreclosure mediation certificate forms are not received from the mortgagor within 15 days after the return date.

Account History Requirement. The act requires the mortgagee or its counsel, upon receiving the notice that the case has been assigned to mediation and within 35 days of the return date, to send via e-mail to the mediator and via first class, priority, or overnight mail to the mortgagor:

1. an account history identifying all credits and debits assessed to the loan account and any related escrow account in the immediately preceding 12 months;
2. an itemized statement of the amount needed to reinstate the mortgage, with information, written in plain language, to explain any codes used in the history and statement that are not otherwise self-explanatory;
3. the name, business mailing address, e-mail address, fax number, and direct telephone number of someone who can respond with reasonable adequacy and promptness to questions about the information submitted, and provide prompt updates to such contact information;
4. all reasonably necessary forms and a list of all documentation reasonably needed for the mortgagee to evaluate the mortgagor for common foreclosure alternatives that are available through the mortgagee, if any;
5. a copy of the note and mortgage;
6. summary information on the status of any pending foreclosure avoidance efforts the mortgagee is undertaking;
7. a copy of any loss mitigation affidavit filed with the court; and
8. at the mortgagee's option, (a) the history of foreclosure avoidance efforts, (b) information on the condition of the mortgaged property, and (c) other information the mortgagee determines relevant to meeting the mediation program's objectives.

Mediator and Mortgagor Premediation Meetings. The act requires the court to (1) assign a mediator and (2) schedule a premediation meeting with the mediator and the mortgagor after the mediator has received the account history information. (Presumably this occurs when such information has been delivered to the e-mail address provided for mediation-related communications.) The court must schedule the meeting if possible within 49 days following the return date. The meeting notice must instruct the mortgagor to (1) complete the forms before the meeting and (2) provide the forms and listed documentation, provided by the mortgagee, at the premediation meeting.

The act requires the mediator, at the meeting, to review the forms and documentation with the mortgagor along with the information the mortgagee supplies. This review is to (1) discuss the options available to the mortgagor, including community-based resources, and (2) help the mortgagor complete the forms and provide the documentation necessary for the mortgagee to evaluate the mortgagor for foreclosure alternatives.

The act allows the mediator to schedule subsequent meetings with the

mortgagor and determine whether any mortgagor may be excused from appearing in person at such meetings.

Delivery of Forms and Documents to Mortgagee. The act requires the mediator, as soon as practicable within 84 days following the return date, to facilitate and confirm the mortgagor's submission of the forms and documentation (1) electronically, to the mortgagee's counsel and (2) at the mortgagee's election, directly to the mortgagee per the mortgagee's instruction.

Mediator's Report to the Court and the Court's Notice. The act also requires the mediator, as soon as practicable within 84 days following the return date, to file a report with the court based on the mortgagor's attendance at the meetings and the extent to which the mortgagor (1) completed the forms and furnished the required documentation or (2) failed to perform such tasks through no material fault of the mortgagee. The report must indicate:

1. whether mediation must be scheduled with the mortgagee,
2. whether the mortgagor attended scheduled meetings with the mediator,
3. whether the mortgagor fully or substantially completed the forms and provided the documentation requested by the mortgagee,
4. the date on which the mortgagee supplied the forms and documentation, and
5. any other information the mediator determines to be relevant to the mediation program's objectives.

The act specifies that no meeting or communication between the mediator and mortgagor should be treated as an impermissible ex parte communication.

If the mediator determines that the mortgagee must participate in mediation, the court must promptly notify all parties and schedule a mediation session between the mortgagee and mortgagor. The act requires that the first mediation session be held within five weeks following the mortgagor's submission of the required forms and documentation to the mortgagee.

If the mediator determines that no sessions between the mortgagee and mortgagor should be scheduled, the court must promptly notify all parties and mediation must be terminated. The act allows any mortgagor wishing to contest this determination to petition the court and show good cause for being included in the mediation program, including (1) a material change in financial circumstances or (2) the mediator's mistake or misunderstanding of the facts.

Court Referral to Mediation. Under prior law, the court could refer a foreclosure action to the foreclosure mediation program at any time if (1) the mortgagor had filed an appearance and (2) the court sent a notice to each appearing party within three business days after making the referral. The act limits the referral to when good cause is shown. The act specifies that, when determining whether good cause exists, the court must consider (1) whether the parties are likely to benefit from mediation and (2) in the case of a referral after prior attempts at mediation have been terminated, whether there has been a material change in circumstances.

Prior law required the court's referral notice to schedule the first foreclosure mediation session within 35 days after the referral date. The act instead requires the notice to assign the case to mediation and require the parties to participate in

the premediation process (described above). The court must establish deadlines to ensure that the premediation process is completed as expeditiously as possible.

Special Pleadings During the Eight-Month Stay. By law, prior to July 1, 2014, there is an eight-month stay on certain pleadings from the return date of the foreclosure action. The act allows the mortgagor to file an answer, special defenses, or counterclaims during this period.

Strict Foreclosure/Foreclosure by Sale. Under existing law, prior to July 1, 2014, a judgment of strict foreclosure or foreclosure by sale cannot be entered on a mortgage for residential real property or real property owned by a religious organization that is in foreclosure mediation unless (1) the mediation period has expired or terminated and (2) if it is less than eight months after the return date, 15 days have passed since the mediation period terminated. The act additionally requires that if it is less than eight months after the return date and 15 days have passed since the period terminated, any pending motions or requests to extend the mediation period must also be heard and denied by the court before any such judgment can be ordered.

§ 4 — MEDIATION PERIOD, INFORMATION REQUIRED, AND TERMINATION

Except as specified below, the following changes apply to all foreclosure actions covered by the foreclosure mediation program.

Conclusion of the Mediation Period

Prior law required the mediation period to conclude within 60 days after the return date for the foreclosure action. The act instead requires the period to end by the end of the third mediation session or seven months after the return date, whichever is earlier.

By law, the court has the discretion to extend or shorten the mediation period for good cause, subject to certain limitations. The act limits the exercise of this discretion to situations in which a party or the mediator makes such a request. Under prior law, the court could extend the period by up to 30 days. The act removes the 30-day limit on the court's discretion to extend the period.

Appearance at Mediation Sessions

Prior law required that the mortgagor and mortgagee appear in person at each mediation session and with authority to agree to a proposed settlement. The act requires that the parties appear at each session with the ability to mediate. Prior law made an exception for a mortgagee who is represented by counsel under certain circumstances. The act makes this exception apply to all parties, but requires that the mortgagor attend the first mediation session in person.

Under prior law, in mediations involving two or more mortgagors, at least one mortgagor was required to appear in person at each mediation session subsequent to the first session, unless good cause was shown. The act limits this provision to apply to mortgagors who represent themselves. Prior law required the mortgagors who did not attend mediation in person to be available (1) during the mediation

session and (2) to participate in the mediation session by speakerphone, if an opportunity is afforded for confidential discussions among the mortgagors and their counsel. The act removes the condition that there must be an opportunity for confidential discussions.

The act allows the mediator to grant permission to a party to participate in mediation sessions by telephone if the party suffers from a disability or other significant hardship that imposes an undue burden on such party to appear in person.

The act allows a mortgagor's spouse, who is not a mortgagor but who lives in the subject property, to appear at each mediation session, if (1) all appearing mortgagors consent, in writing, to the spouse's appearance or the spouse shows good cause for his or her appearance and (2) the mortgagors consent, in writing, to the disclosure of nonpublic personal information to the spouse.

Complete Financial Package

If the mortgagor has submitted a complete package of financial documentation in connection with a request for a particular foreclosure alternative, the act requires the mortgagee to (1) respond with a decision within 35 days from the receipt of the completed package and (2) if the decision is a denial, provide the reasons for the denial.

The act requires the mortgagee to request any missing or additional information if (1) the mortgagor submitted an incomplete financial package or (2) the mortgagee's evaluation of the complete package reveals that additional information is necessary to underwrite a request for a foreclosure alternative. The mortgagee must make this request within a reasonable period of time of that evaluation.

The act allows the mortgagee's response date to be extended beyond the 35-day deadline if the mortgagee's evaluation of a complete package reveals that additional information is necessary to underwrite the request, but only for so long as is reasonable given the (1) timing of the mortgagor's submission of the additional information and (2) nature and context of the required underwriting.

Mediator's Report

The act requires the mediator to file a report with the court within three business days after each mediation session. The report must indicate:

1. the extent to which each party complied with the mediation program requirements;
2. whether the mortgagor submitted a complete package of financial documentation to the mortgagee;
3. a general description of the foreclosure alternative being requested by the mortgagor;
4. whether the mortgagor has previously been evaluated for similar requests and, if so, whether there has been any apparent change in circumstances since the decision in the prior evaluation;
5. whether the mortgagee has responded to the mortgagor's request for a foreclosure alternative and, if so, a description of the response and whether

- the mediator is aware of any material reason not to agree with the response;
6. whether the mortgagor has responded to an offer made by the mortgagee on a reasonably timely basis and, if so, an explanation of the response;
 7. whether the mortgagee has requested additional information from the mortgagor and, if so, the stated reasons for the request and the date by which such additional information must be submitted so that, to the extent possible, the mortgagee may still use previously submitted information in conducting its review;
 8. whether the mortgagor has supplied, on a reasonably timely basis, any additional information that was reasonably requested by the mortgagee and, if not, the stated reason for not doing so;
 9. if information provided by the mortgagor is no longer current for purposes of evaluating a foreclosure alternative, a description of the out-of-date information, and an explanation of how and why such information is no longer current;
 10. whether the mortgagee has provided a reasonable explanation of the basis for a decision to deny a request for a loss mitigation option or foreclosure alternative and whether the mediator is aware of any material reason not to agree with that decision;
 11. whether the mortgagee has complied with the act's timeframes for responding to requests for decisions;
 12. if a subsequent mediation session is expected to occur, a general description of the expectations for that session and for the parties prior to that session, and if not already addressed in the report, whether the parties satisfied the expectations described in previous reports; and
 13. whether the parties will benefit from further mediation.

The act requires the mediator to deliver a copy of the report to all the parties at the time he or she files it with the court. The act allows the parties the opportunity to submit their own supplemental information following the filing of the mediator's report but they must do so within five business days after receiving the mediator's report. Requests by the mortgagee to the mortgagor for additional or updated financial documentation must be made in writing.

Court Sanctions

The act allows the court to impose sanctions on any party or the party's counsel who, during the mediation process, engages in intentional, or a pattern or practice of, conduct contrary to the mediation program's objectives.

Under the act, any sanction imposed must be proportional to the conduct and consistent with the mediation program's objectives. Available sanctions include (1) terminating mediation, (2) ordering the mortgagor or mortgagee to mediate in person, (3) forbidding the mortgagee from charging the mortgagor for the mortgagee's attorney's fees, (4) awarding attorney's fees, and (5) imposing fines. In egregious situations, the sanctions must be more severe.

By law, the court is prohibited from awarding attorney's fees to a mortgagee for time spent in any mediation session if the mortgagee fails to comply with the requirements of the mediation sessions without good cause.

Continuation of the Mediation Sessions

Under prior law, if the mediator reported to the court after the first mediation session that the parties could benefit from further mediation, the mediation period had to continue. The act extends this to the second session.

Under prior law, for foreclosure actions with a return date of July 1, 2009 through June 30, 2014 for residential real property and return date of October 1, 2011 through June 30, 2014 for real property owned by a religious organization, failure to comply with the mediation program's documentation requirements was not grounds for terminating the mediation period before a second mediation session was conducted. The act deletes this provision.

Under prior law, if the mediation period ended with unresolved issues, the mediator was allowed to refer the mortgagor to appropriate community-based services available in the judicial district where the mediation took place. The act allows the referral to these services in any judicial district. It also eliminates a provision specifying that the referral may not cause a delay in the mediation process.

Policies and Procedures

By law, the chief court administrator must establish policies and procedures that require the mediator to advise the mortgagor of certain conditions. Under prior law, the mediator had to advise the mortgagor that (1) mediation does not suspend the mortgagor's obligation to respond to the foreclosure action and (2) a judgment of strict foreclosure or foreclosure by sale may cause the mortgagor to lose the property to foreclosure. The act requires that the mediator provide this advice at the first premediation meeting, rather than the first mediation session as prior law required. For foreclosure actions with a return date of July 1, 2008 through June 30, 2009, the act removes the requirement to advise the mortgagor that mediation does not suspend the mortgagor's obligation to respond to the foreclosure action.

Conclusion or Extension of the Mediation Period

The act specifies that the mediation period ends (1) after the third mediation session or (2) if seven months have passed since the return date. It allows the period to be extended if a party or the mediator requests an extension within 15 days after the conclusion of the period and any extended sessions. The court must make its ruling within 20 days after the filing of the motion or request and is limited to granting one session per request if (1) it is highly probable that the parties will reach an agreement or (2) any party has engaged in conduct that is contrary to the mediation program's objectives. A judgment of strict foreclosure or foreclosure by sale cannot be entered until the court denies the motion or request to extend the mediation period or at the end of any extended sessions granted. The act requires the court to set an expeditious deadline for any extended mediation sessions granted.

The act allows the court to consider all matters that have come up in mediation when determining whether to extend mediation, including:

OLR PUBLIC ACT SUMMARY

1. the number of motions to extend mediation,
2. the reasons why an agreement has not been reached,
3. the mediation program's objectives,
4. whether parties will benefit from further mediation,
5. the mediator's reports,
6. papers that are submitted with motions, and
7. supplemental reports submitted by the parties.

The court must include its reasons in the order granting or denying a motion or request to extend mediation.

Under the act, if all parties agree that they would benefit from an additional session, the mediation period may be extended for one session without a hearing. The parties must consult with the mediator to set an expeditious deadline for the additional session.

The act specifies that the extended mediation period terminates after the extended session.

Cases Pending on October 1, 2013

For any case pending on October 1, 2013 in which mediation is ongoing, the act specifies how sessions should be counted for purposes of determining if mediation should end or be extended. Specifically, if three or fewer sessions have been held by that date, the case must be treated as if no sessions have been held. But, if four or more sessions have been held, any party or the mediator may move to end or extend mediation. If no motion is filed, the mediation period ends after the third session that is held after October 1, 2013.

§ 4 — REPORTING REQUIREMENT

The act requires the chief court administrator to submit to the Banks Committee, by February 14, 2014, a summary of the mediation program and specified data collected from mediator reports that were submitted from July 1, 2013 to December 31, 2013. The summary must include:

1. the aggregate number of (a) cases in mediation, (b) mediation sessions held, (c) agreements reached before the conclusion of the mediation period, and (d) motions or requests for an extension or continuance and the identity of the party that made such a motion or request;
2. whether the loan was serviced by a third party;
3. the judicial district where the mediation took place; and
4. whether the mortgagor was self-represented.

The act also requires the chief court administrator to submit a second summary to the Banks Committee, by February 14, 2015, of data collected from mediator reports submitted from July 1, 2013 to December 31, 2014. The chief court administrator must work with the governor's office, the banking industry, and consumer advocates to develop the data points required for the second summary, including data to be collected but not reported.

§ 5 — EXPEDITED FORECLOSURE PROCEDURES FOR VACANT AND ADANDONED PROPERTIES

Expedited Proceedings Permitted

The act allows an expedited foreclosure action by allowing a mortgagee to file a motion for judgment of foreclosure simultaneously with a motion for default for failure to appear. This is allowed only if the mortgagee proves by clear and convincing evidence, and with a proper affidavit, that the real property that is the subject of the foreclosure action is not occupied by a mortgagor, tenant, or other occupant and at least three of the following conditions exist:

1. statements of neighbors, delivery persons, or government employees indicate that the property is vacant and abandoned;
2. windows or entrances are boarded up or closed off or multiple window panes are damaged, broken, or unrepaired;
3. doors to the property are smashed through, broken off, unhinged, or continuously unlocked;
4. acts of vandalism, loitering, criminal conduct, or physical destruction of the property create a risk to the health, safety, or welfare of the public or any adjoining or adjacent property owners;
5. a municipal order declares that the property (a) is unfit for occupancy and (b) must remain vacant and unoccupied;
6. the mortgagee secured or winterized the property because the property was deemed vacant and unprotected or in danger of freezing; or
7. a written statement by any mortgagor or any tenant expressing the clear intent of all occupants to abandon the property.

Expedited Proceedings Prohibited

The act prohibits a foreclosure action from proceeding under expedited procedures if the property includes any of the following:

1. an unoccupied building undergoing construction, renovation, or rehabilitation that is moving toward completion and complies with all applicable ordinances, codes, regulations, and statutes;
2. a secure building occupied on a seasonal basis; or
3. a secure building that is the subject of a probate action to quiet title or other ownership dispute.

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